

AMENDMENT TO H.R. 850
OFFERED BY MR. STEARNS OF FLORIDA

(Page & line nos. refer to Committee Print of 6/21/99)

At the end of the bill, insert the following new section:

1 SEC. 13. PROHIBITION ON TRANSFERS TO PLA AND COM-
2 MUNIST CHINESE MILITARY COMPANIES.

3 (a) PROHIBITION. Whoever knowingly and willfully
4 transfers to the People's Liberation Army or to any Com-
5 munist Chinese military company any encryption product
6 that utilizes a key length of more than 56 bits, ~~or any~~
7 ~~product incorporating such an encryption product~~

8 (1) in the case of a first offense under this sec-
9 tion, shall be imprisoned for not more than 5 years,
10 or fined under title 18, United States Code, or both;
11 and

12 (2) in the case of second or subsequent offense
13 under this section, shall be imprisoned for not more
14 than 10 years, or fined under title 18, United States
15 Code, or both.

16 (b) DEFINITIONS. -For purposes of this section:

17 (1) COMMUNIST CHINESE MILITARY COM-
18 PANY.—(A) Subject to subparagraph (B), the term

1 “Communist Chinese military company” has the
2 meaning given that term in section 1237(b) (4) of
3 the Strom Thurmond National Defense Authoriza-
4 tion Act for Fiscal Year 1999 (50 U.S.C. 1701
5 note).

6 (B) At such time as the determination and pub-
7 lication of persons are made under section
8 1237(b)(1) of the Strom Thurmond National De-
9 fense Authorization Act for Fiscal Year 1999, the
10 term “Communist Chinese military company” shall
11 mean the list of those persons so published, as re-
12 vised under section 1237(b)(2) of that Act.

13 (2) PEOPLE'S LIBERATION ARMY.—The term
14 “People's Liberation Army” has the meaning given
15 that term in section 1237(c) of the Strom Thur-
16 mond National Defense Authorization Act for Fiscal
17 Year 1999.